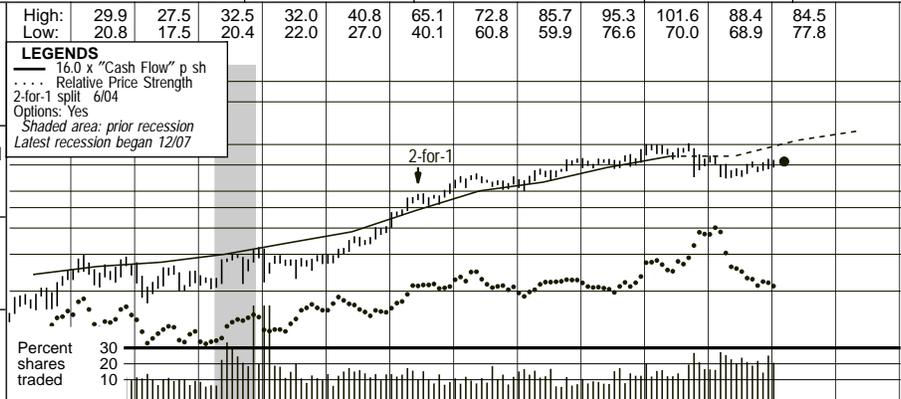


# BARD (C.R.), INC. NYSE-BCR

RECENT PRICE **82.97** P/E RATIO **16.2** (Trailing: 16.3; Median: 21.0) RELATIVE P/E RATIO **0.99** DIV'D YLD **0.8%** VALUE LINE

**TIMELINESS** 3 Lowered 6/26/09  
**SAFETY** 1 Raised 12/1/06  
**TECHNICAL** 1 Raised 2/12/10  
**BETA** .60 (1.00 = Market)



**2013-15 PROJECTIONS**  
 Ann'l Total  
 Price Gain Return  
 High 155 (+85%) 17%  
 Low 125 (+50%) 11%

**Insider Decisions**  
 A M J J A S O N D  
 to Buy 0 0 0 0 0 0 0 0 0 0  
 Options 2 3 1 1 1 1 1 1 1 1  
 to Sell 3 3 1 1 4 2 2 3 1

**Institutional Decisions**  
 10/2009 2/2009 3/2009  
 to Buy 212 229 213  
 to Sell 241 252 225  
 Hld's(000) 85122 86717 84297

Target Price Range	2013	2014	2015
200			
160			
100			
80			
60			
50			
40			
30			
20			

**% TOT. RETURN 1/10**  
 THIS STOCK VL ARITH. INDEX  
 1 yr. -2.3 69.7  
 3 yr. 2.8 -3.5  
 5 yr. 26.9 26.8

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	© VALUE LINE PUB., INC.	13-15
9.78	9.96	10.48	10.69	11.31	10.21	10.79	11.28	12.34	13.85	15.82	17.03	19.25	21.98	24.67	26.35	28.95	31.80	Sales per sh	42.80
1.26	1.32	1.41	1.35	1.50	1.64	1.72	1.87	2.12	2.40	3.03	3.76	4.14	4.85	5.50	5.50	6.55	7.30	"Cash Flow" per sh	9.05
.89	.89	.91	.83	.86	1.14	1.23	1.38	1.68	1.94	2.45	3.03	3.29	3.84	4.44	4.79	5.50	6.20	Earnings per sh A	7.80
.29	.31	.33	.35	.37	.39	.41	.42	.43	.45	.47	.50	.54	.58	.62	.68	.70	.74	Div'ds Decl'd per sh B	.86
.33	.35	.37	.29	.43	.26	.19	.26	.40	.70	.71	.93	.68	.51	.51	.50	.60	.75	Cap'l Spending per sh	.95
4.23	4.94	5.28	5.05	5.51	5.65	6.03	7.53	8.53	10.10	12.99	14.77	16.46	18.44	19.89	19.30	20.40	22.85	Book Value per sh C	39.25
104.10	114.20	113.97	113.57	103.00	101.56	101.82	104.77	103.21	103.51	104.67	104.01	103.16	100.19	99.39	96.20	95.00	92.50	Common Shs Outst'g D	90.00
14.5	16.3	17.6	19.0	22.2	22.2	18.4	18.9	16.4	17.6	21.9	22.0	22.3	21.7	20.5	16.3	16.3	16.3	Avg Ann'l P/E Ratio	18.0
.95	1.09	1.10	1.10	1.15	1.27	1.20	.97	.90	1.00	1.16	1.17	1.20	1.15	1.23	1.07	1.07	1.07	Relative P/E Ratio	1.20
2.3%	2.1%	2.1%	2.2%	1.9%	1.5%	1.8%	1.6%	1.6%	1.3%	.9%	.7%	.7%	.7%	.7%	.9%	.9%	.9%	Avg Ann'l Div'd Yield	.6%

**CAPITAL STRUCTURE as of 9/30/09**  
 Total Debt \$149.8 mill. Due in 5 Yrs None  
 LT Debt \$149.8 mill. LT Interest \$10.1 mill.  
 (6% of Cap'l)

**Leases, Uncapitalized** Annual Rentals \$21.2 mill.

**Pension Assets-12/08** \$181.0 mill. **Oblig.** \$284.1 mill.

**Pfd Stock** None

**Common Stock** 96,536,202 shares  
**MARKET CAP: \$8.0 billion (Large Cap)**

1098.8	1181.3	1273.8	1433.1	1656.1	1771.3	1985.5	2202.0	2452.1	2534.9	2750	2940	Sales (\$mill)	3850
22.2%	22.6%	23.1%	23.2%	25.2%	28.4%	27.7%	28.9%	30.0%	30.0%	30.4%	29.0%	Operating Margin	29.0%
49.6	53.2	42.3	44.7	54.7	63.8	74.9	80.0	90.9	91.5	93.0	95.0	Depreciation (\$mill)	115
125.3	143.2	176.9	204.0	262.7	327.4	351.8	406.4	455.4	460.1	530	580	Net Profit (\$mill)	700
30.2%	30.1%	28.1%	27.5%	26.5%	26.0%	27.5%	29.6%	28.9%	27.0%	27.0%	27.0%	Income Tax Rate	27.0%
11.4%	12.1%	13.9%	14.2%	15.9%	18.5%	17.7%	18.5%	18.6%	18.2%	19.6%	18.8%	Net Profit Margin	19.0%
302.1	412.9	441.1	453.2	663.7	623.5	838.0	960.3	1081.1	890	890	1060	Working Cap'l (\$mill)	1390
204.3	156.4	152.2	151.5	151.4	.8	150.6	149.8	149.8	150	150	150	Long-Term Debt (\$mill)	150
613.9	788.7	880.4	1045.7	1360.1	1536.1	1698.0	1848.0	1977.2	1860	1940	2115	Shr. Equity (\$mill)	3530
16.5%	15.9%	17.7%	17.6%	17.8%	21.7%	19.5%	20.6%	21.7%	23.0%	25.0%	24.5%	Return on Total Cap'l	19.0%
20.4%	18.2%	20.1%	19.5%	19.3%	21.3%	20.7%	22.0%	23.0%	24.5%	26.5%	26.0%	Return on Shr. Equity	20.0%
13.6%	12.7%	15.0%	15.0%	15.7%	17.9%	17.4%	18.7%	19.9%	21.0%	23.0%	24.0%	Retained to Com Eq	17.5%
33%	30%	25%	23%	19%	16%	16%	15%	14%	14%	13%	12%	All Div'ds to Net Prof	11%

CURRENT POSITION	2007	2008	9/30/09
Cash Assets	570.6	592.1	632.1
Receivables	362.0	394.1	415.8
Inventory (LIFO)	244.7	275.1	311.1
Other	64.7	92.9	95.4
Current Assets	1242.0	1354.2	1454.4
Accts Payable	50.2	53.5	56.1
Debt Due	.8	--	--
Other	230.7	219.6	191.1
Current Liab.	281.7	273.1	247.2

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '06-'08 to '13-'15
of change (per sh)	7.5%	12.0%	10.0%
Sales	13.0%	17.5%	9.5%
"Cash Flow"	16.0%	18.5%	10.5%
Earnings	5.0%	6.0%	6.0%
Dividends	13.0%	16.0%	11.5%

Cal-endar	QUARTERLY SALES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2007	528.2	545.7	544.8	583.3	2202.0
2008	584.0	617.1	616.8	634.2	2452.1
2009	596.4	624.6	637.0	676.9	2534.9
2010	650	680	700	720	2750
2011	680	710	750	800	2940

Cal-endar	EARNINGS PER SHARE A				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2007	.95	.91	.96	1.02	3.84
2008	1.06	1.10	1.10	1.19	4.44
2009	1.17	1.23	1.31	1.08	4.79
2010	1.25	1.35	1.45	1.45	5.50
2011	1.40	1.50	1.60	1.70	6.20

Cal-endar	QUARTERLY DIVIDENDS PAID B				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2006	.13	.13	.14	.14	.54
2007	.14	.14	.15	.15	.58
2008	.15	.15	.16	.16	.62
2009	.16	.16	.17	.17	.68
2010	.17				

**BUSINESS:** C.R. Bard, Inc. has four core segments: Vascular (26% of '08 sales): angioplasty & angiography catheters, stents, vasc. grafts & blood oxygenators. Urology (29%): Foley catheters, urine collection sys. & incontinence aids. Oncology (26%): specialty access catheters & ports, gastroenterological pdts. & bladder & prostate cancer tests. Surgical Specialties (15%): hernia repair

**C.R. Bard ought to start the year on a strong foot.** We anticipate that the company's ongoing growth efforts will continue to bolster results in the coming quarters (more below). Indeed, we look for profits to advance between 5% and 10% for the March period, and for the bottom line to grow at a 15% clip for the year. Too, share buybacks will probably boost per-share comparisons going forward. Even though Bard posted a healthy 8% share-net advance for full-year 2009, the company did struggle somewhat at the close of the year. The medical equipment industry faced certain challenges over the last few quarters, and this, combined with softness in European markets, and a competitive operating environment, weighed on profitability. At any rate, **Management's initiatives should bear fruit**, as the company has been investing in its operations. It has allocated available resources to research and development expenditures and technological innovation, as well as to increasing productivity. We envision that its business development endeavors will be accretive to earnings in the near term, as well as help lift profits

over the long haul. Furthermore, Bard has been working to improve its portfolio. Last year, the company closed five deals on new assets, enabling it to build its vascular and oncology segments. And we imagine that it may accumulate other acquisitions in the coming months as part of its long-term growth strategy. **These shares possess solid long-term appeal.** We look for the company's products to continue to capture additional market share and to gain steam over the next 3 to 5 years. As the baby-boomer generation ages, certain individuals may require more healthcare services, and therefore rely, more heavily, on Bard's products. Recent innovations should allow the company to maintain its supply of the vascular, urology, or surgical products in demand. Even though BCR stock does not stand out for its near-term price performance (Timeliness: 3), it offers worthwhile capital appreciation potential over the haul to 2013-2015. Moreover, this issue's top scores for Stock Price Stability and Growth Persistence add to its investment appeal.

*Orly Seidman* February 26, 2010

Company's Financial Strength	A++
Stock's Price Stability	100
Price Growth Persistence	100
Earnings Predictability	100

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